

**UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF NORTH CAROLINA  
GREENVILLE DIVISION**

**IN RE:** )  
 )  
**CAH ACQUISTION COMPANY 7, LLC** )      **Case No. 19-01298-5-JNC**  
**d/b/a PRAGUE COMMUNITY HOSPITAL** )      **Chapter 11**  
 )  
**Debtor.** )

**EMERGENCY MOTION FOR ORDER AUTHORIZING TRUSTEE  
TO PAY WAGES ACCRUED PRE-PETITION**

NOW COMES Thomas W. Waldrep, Jr., as Chapter 11 Trustee (the “Trustee”) for CAH Acquisition Company 7, LLC d/b/a Prague Community Hospital (hereinafter the “Debtor”) and respectfully requests authorization to pay pre-petition wages and, in support thereof, shows unto the Court the following:

1. This Court has jurisdiction to consider this motion pursuant to 28 U.S.C. §§ 157 and 1334. This is a core proceeding within the meaning of 28 U.S.C. § 157.
2. The Debtor filed a voluntary petition for relief pursuant to Chapter 11, Title 11 of the United States Code (the “Bankruptcy Code”) in the Eastern District of North Carolina on March 21, 2019. An Order appointing Thomas W. Waldrep, Jr. as Chapter 11 Trustee was entered on March 29, 2019.
3. The Debtor is a critical access hospital located in Prague, Oklahoma with twenty-five (25) acute care beds. The Debtor offers a wide variety of medical services including but not limited to emergency care, surgery services, radiology services, laboratory services, physical rehabilitation, acute care, swing beds and skilled nursing. To provide the medical services the hospital had (at the time of filing) a staff of seventy-two (72) employees, consisting of forty-three (43) full-time employees and twenty-nine (29) part-time employees.

4. The Trustee requests authority to honor and pay (in his discretion) obligations for work performed pre-petition to the extent that (a) the claim was incurred within 180 days before the Petition Date; (b) the claim does not exceed the priority amount set forth in 11 U.S.C. § 507(a)(4); and (c) that such affected employees continue to provide services to the Trustee in this bankruptcy case. The pre-petition work caused wage claimants to accrue gross wages which would not be paid in the ordinary course of business until after the filing of the petition. Based upon the normal pay cycles for the payment of wages and salaries, the Debtor is duly obligated for payroll due on February 15, 2019 in the amount of \$120,571.36 and payroll due on March 1, 2019, in the amount of \$111,786.68. A true and accurate accounting of each payroll by employee is attached hereto as Exhibit "A".

5. All but two (2) pre-petition employee wage claims are below the \$12,850.00 priority limit prescribed by §507(a)(4) of the Bankruptcy Code and accrued within the last 180 days prior to the Petition Date.

6. A necessity of payment exists in this case in order to prevent immediate and irreparable harm to this reorganization in an amount greatly in excess of the funds the Trustee seeks to pay, and such payment is essential to maximize the return to creditors in this case. If the Trustee were to fail to obtain authority to pay employees for pre-petition wages as requested herein, then in all likelihood the affected employees would either fail to return to work or resign and not provide further assistance to the Debtor. The authorization sought herein will also minimize the personal hardship on the affected employees that would result from non-payment. The affected employees are essential to the operation of the Debtor's business and the Debtor would suffer irreparable harm if they were to fail to return to work or resign for nonpayment.

7. The payment as requested herein is in the best interest of creditors, the Debtor, the Debtor's employees, and is essential to the successful reorganization of the Debtor. The Court has the authority to authorize payment of claims described in the foregoing Motion to the extent they are determined to be pre-petition claims under the circumstances set out herein pursuant to the authority granted to the Bankruptcy Court under Title 11 of the United States Code, including 11 U.S.C. §§ 105, 363, 507, 1107 and 1108.

8. Given the nature of the emergency as outlined herein and the facts and circumstances in this case, the relief requested can be granted on an emergency basis with limited and no further notice and does not prejudice the rights of the parties in interest in this matter.

WHEREFORE, the Trustee prays for an Order authorizing him to pay (in his discretion) pre-petition employee claims for wages that accrued but remain unpaid as of the Petition Date in the amount of \$232,358.04 for the April 15, 2019 and March 1, 2019 payrolls to the extent that (a) the claim was incurred 180 days before the Petition Date; (b) the claim does not exceed the priority amount set forth in 11 U.S.C § 507(a)(4); and (c) such affected employees continue to provide services to the Trustee in this bankruptcy case; and for such other and further relief as the Court deems just and proper.

Respectfully submitted this the 29th day of April, 2019.

**WALDREP LLP**

/s/ Thomas W. Waldrep, Jr.

Thomas W. Waldrep, Jr. (NC State Bar No. 11135)

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**- and -**

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*Co-Counsel for the Trustee*

Prague Community Hospital  
Unpaid Payroll 2.15.19

Exhibit "A"

| Name                 | Gross     | Net      | FIT      | FICA-O | FICA-M | SIT    | CIGNA | NGAR   | TSA-V | CAFÉ   | Garnishment |
|----------------------|-----------|----------|----------|--------|--------|--------|-------|--------|-------|--------|-------------|
| Elsie Atchley        | 351.51    | 277.70   | 20.92    | 21.79  | 5.10   | 1.00   | -     | 25.00  | -     | -      | -           |
| Ann Becker           | 1,560.00  | 1,206.14 | 160.92   | 96.72  | 22.62  | 58.00  | -     | -      | 15.60 | -      | -           |
| Kristie J Blackwell  | 906.00    | 747.53   | 65.16    | 56.17  | 13.14  | 24.00  | -     | -      | -     | -      | -           |
| Julie Branson        | 2,790.97  | 2,225.90 | 228.78   | 164.94 | 38.58  | 92.00  | -     | -      | 27.91 | 12.86  | -           |
| Douglas Brant        | 923.04    | 843.43   | -        | 57.23  | 13.38  | 9.00   | -     | -      | -     | -      | -           |
| Sherri Cannon        | 1,479.13  | 1,268.05 | 54.13    | 91.71  | 21.45  | 29.00  | -     | -      | 14.79 | -      | -           |
| Markie R Carlock     | 789.18    | 690.31   | 34.50    | 48.93  | 11.44  | 4.00   | -     | -      | -     | -      | -           |
| Kathy Crosson        | 1,376.71  | 1,078.03 | 140.27   | 85.08  | 19.90  | 49.00  | -     | -      | -     | 4.43   | -           |
| Terry Wade Dugan     | 2,257.60  | 1,788.07 | 200.24   | 139.97 | 32.74  | 74.00  | -     | -      | 22.58 | -      | -           |
| Cierra Dyer          | 1,440.00  | 1,152.15 | 51.69    | 89.28  | 20.88  | 28.00  | -     | 48.00  | -     | -      | 50.00       |
| Dianne Michelle Dyer | 3,192.30  | 2,133.79 | 541.53   | 191.36 | 44.75  | 160.00 | -     | 15.00  | -     | 105.87 | -           |
| Mary Drenda Evans    | 1,741.25  | 1,393.05 | 140.99   | 107.96 | 25.25  | 74.00  | -     | -      | -     | -      | -           |
| Amanda Fipps         | 291.50    | 269.20   | -        | 18.07  | 4.23   | -      | -     | -      | -     | -      | -           |
| Melinda Fisher       | 200.00    | 178.93   | 5.77     | 12.40  | 2.90   | -      | -     | -      | -     | -      | -           |
| Theresa Gallagher    | 394.26    | 353.87   | 9.23     | 24.44  | 5.72   | 1.00   | -     | -      | -     | -      | -           |
| Leslie Harrison      | 1,629.42  | 1,261.77 | 186.16   | 98.46  | 23.03  | 60.00  | -     | -      | -     | -      | -           |
| Katherine Haynes     | 1,875.86  | 1,352.18 | 168.34   | 110.86 | 25.93  | 67.00  | -     | 120.00 | 22.29 | 9.26   | -           |
| Cameron C Henderson  | 10,231.20 | 6,418.29 | 2,540.23 | 634.33 | 148.35 | 490.00 | -     | -      | -     | -      | -           |
| Joanne Hill          | 67.80     | 61.94    | -        | 4.20   | 0.98   | -      | -     | -      | -     | 0.68   | -           |
| Saundra Hodges       | 927.37    | 799.11   | 48.31    | 57.50  | 13.45  | 9.00   | -     | -      | -     | -      | -           |
| Alice Holejsovsky    | 2,160.88  | 1,539.93 | 348.04   | 133.97 | 31.33  | 86.00  | -     | -      | -     | 21.61  | -           |
| Katie Jackson        | 1,440.45  | 1,117.13 | 146.72   | 89.31  | 20.89  | 52.00  | -     | -      | -     | 14.40  | -           |
| Shelly J Jayne       | 920.00    | 726.62   | 86.00    | 57.04  | 13.34  | 27.00  | -     | 10.00  | -     | -      | -           |
| Jamie Jones          | 7,800.00  | 5,525.18 | 1,326.12 | 483.60 | 113.10 | 352.00 | -     | -      | -     | -      | -           |
| Anndee Lee-Carter    | 4,807.70  | 3,627.41 | 612.50   | 298.08 | 69.71  | 200.00 | -     | -      | -     | -      | -           |
| Glenda Mayfield      | 1,395.91  | 1,113.61 | 123.42   | 86.27  | 20.18  | 48.00  | -     | -      | -     | 4.43   | -           |
| Jennifer Messer      | 2,233.00  | 1,666.39 | 303.78   | 138.45 | 32.38  | 92.00  | -     | -      | -     | -      | -           |
| Brittnee Morris      | 2,059.00  | 1,457.22 | 201.03   | 119.38 | 27.92  | 75.00  | -     | 45.00  | -     | 133.45 | -           |
| Amanda L Myers       | 1,313.72  | 1,009.04 | 140.76   | 80.17  | 18.75  | 65.00  | -     | -      | -     | -      | -           |
| Brandon T Narr       | 7,148.02  | 5,193.17 | 1,093.02 | 443.18 | 103.65 | 315.00 | -     | -      | -     | -      | -           |
| Kimberly Navrath     | 2,242.50  | 1,795.80 | 201.14   | 139.04 | 32.52  | 74.00  | -     | -      | -     | -      | -           |
| Lisa Novis           | 1,990.14  | 1,443.02 | 295.97   | 123.39 | 28.86  | 79.00  | -     | -      | -     | 19.90  | -           |
| Gregory Orr          | 2,310.94  | 1,754.34 | 285.81   | 143.28 | 33.51  | 94.00  | -     | -      | -     | -      | -           |
| Kerry Plum           | 1,448.02  | 963.17   | 69.45    | 70.60  | 16.51  | 19.00  | -     | -      | -     | 309.29 | -           |

|                     |            |           |           |          |          |          |   |        |        |          |
|---------------------|------------|-----------|-----------|----------|----------|----------|---|--------|--------|----------|
| Becky Podest        | 344.75     | 254.03    | 59.90     | 21.37    | 5.00     | 1.00     | - | -      | 3.45   | -        |
| Rebecca Poe         | 6,240.00   | 4,022.63  | 1,447.01  | 386.88   | 90.48    | 293.00   | - | -      | -      | -        |
| Rachel A Pritchett  | 1,978.44   | 1,461.64  | 254.45    | 122.66   | 28.69    | 111.00   | - | -      | -      | -        |
| Eric Quinones       | 1,885.00   | 1,438.58  | 227.22    | 116.87   | 27.33    | 75.00    | - | -      | -      | -        |
| Rachele Quinones    | 487.50     | 260.68    | 184.52    | 30.23    | 7.07     | 5.00     | - | -      | -      | -        |
| Robin Rains         | 1,897.54   | 1,435.22  | 143.59    | 87.75    | 20.52    | 51.00    | - | 15.00  | 15.44  | 129.02   |
| Naomi Ramos         | 722.01     | 98.64     | -         | 16.69    | 3.90     | -        | - | 150.00 | -      | 452.78   |
| Catherine Roberts   | 1,192.40   | 1,005.64  | 70.13     | 71.02    | 16.61    | 29.00    | - | -      | -      | -        |
| Tera Scroggins      | 2,475.76   | 1,913.69  | 152.68    | 145.22   | 33.96    | 72.00    | - | -      | 24.76  | 133.45   |
| Laura Slayton       | 4,435.54   | 3,330.67  | 465.17    | 266.45   | 62.32    | 173.00   | - | -      | -      | 137.93   |
| Cindy K Smith       | 2,561.20   | 1,762.31  | 420.35    | 158.79   | 37.14    | 157.00   | - | -      | 25.61  | -        |
| Denise A Swinford   | 914.26     | 775.32    | 47.00     | 56.68    | 13.26    | 22.00    | - | -      | -      | -        |
| Todd Thompson       | 1,461.25   | 1,094.51  | 150.95    | 90.60    | 21.19    | 54.00    | - | 50.00  | -      | -        |
| April L Wallis      | 840.01     | 718.61    | 38.74     | 52.08    | 12.18    | 10.00    | - | -      | 8.40   | -        |
| Laura Wangler       | 44.00      | 40.63     | -         | 2.73     | 0.64     | -        | - | -      | -      | -        |
| William Wheeler     | 1,505.50   | 1,282.94  | 74.39     | 93.34    | 21.83    | 33.00    | - | -      | -      | -        |
| Kari White          | 2,581.13   | 2,188.65  | 106.15    | 159.23   | 37.24    | 77.00    | - | -      | -      | 12.86    |
| Mark White          | 150.00     | 138.52    | -         | 9.30     | 2.18     | -        | - | -      | -      | -        |
| Cheyenna F Williams | 1,760.00   | 1,432.12  | 143.24    | 109.12   | 25.52    | 50.00    | - | -      | -      | -        |
| Lea Ann Wilson      | 3,492.98   | 2,381.03  | 572.50    | 208.29   | 48.71    | 149.00   | - | -      | -      | 133.45   |
| Kristen Winchester  | 576.00     | 531.94    | -         | 35.71    | 8.35     | -        | - | -      | -      | -        |
| Tara Yost           | 921.46     | 795.25    | 47.72     | 57.13    | 13.36    | 8.00     | - | -      | -      | -        |
| <hr/>               |            |           |           |          |          |          |   |        |        |          |
|                     | 112,162.11 | 82,794.72 | 14,436.64 | 6,815.30 | 1,593.95 | 4,177.00 | - | 478.00 | 237.42 | 1,579.08 |
|                     | <hr/>      |           |           |          |          |          |   |        |        |          |

Gross Payroll  
 Employer Taxes  
 Total Payroll

112,162.11  
 8,409.25  


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 120,571.36

112,162.11  
 8,409.25  


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 120,571.36

112,162.11  
 8,409.25  


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 120,571.36

112,162.11  
 8,409.25  


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 120,571.36

Prague Community Hospital  
Unpaid Payroll 3.1.19

Exhibit "A"

| Name                 | Gross     | Net      | FIT      | FICA-O | FICA-M | SIT    | CIGNA  | NGAR  | TSA-V  | CAFÉ   | Garnishment |
|----------------------|-----------|----------|----------|--------|--------|--------|--------|-------|--------|--------|-------------|
| Elsie Atchley        | 144.88    | 108.54   | 0.26     | 8.98   | 2.10   | -      | -      | 25.00 | -      | -      | -           |
| Ann Becker           | 1,560.00  | 1,206.14 | 160.92   | 96.72  | 22.62  | 58.00  | -      | 15.60 | -      | -      | -           |
| Kristie J Blackwell  | 864.00    | 715.78   | 60.12    | 53.57  | 12.53  | 22.00  | -      | -     | -      | -      | -           |
| Julie Branson        | 2,485.25  | 1,969.81 | 206.59   | 153.29 | 35.85  | 82.00  | -      | 24.85 | 12.86  | -      | -           |
| Douglas Brant        | 923.04    | 843.43   | -        | 57.23  | 13.38  | 9.00   | -      | -     | -      | -      | -           |
| Patrick Brennan      | 306.25    | 282.82   | -        | 18.99  | 4.44   | -      | -      | -     | -      | -      | -           |
| Sherri Cannon        | 1,120.00  | 974.59   | 34.53    | 69.44  | 16.24  | 14.00  | -      | 11.20 | -      | -      | -           |
| Markie R Carlock     | 251.64    | 232.39   | -        | 15.60  | 3.65   | -      | -      | -     | -      | -      | -           |
| Kathy Crosson        | 1,362.02  | 1,067.22 | 138.51   | 84.17  | 19.69  | 48.00  | -      | -     | -      | 4.43   | -           |
| Christy M Crow       | 357.50    | 330.15   | -        | 22.17  | 5.18   | -      | -      | -     | -      | -      | -           |
| Terry Wade Dugan     | 2,257.60  | 1,788.07 | 200.24   | 139.97 | 32.74  | 74.00  | -      | 22.58 | -      | -      | -           |
| Cierra Dyer          | 1,201.50  | 967.75   | 27.84    | 74.49  | 17.42  | 16.00  | 48.00  | -     | -      | -      | 50.00       |
| Dianne Michelle Dyer | 3,192.30  | 2,142.56 | 541.53   | 191.36 | 44.75  | 160.00 | 6.23   | -     | 105.87 | -      | -           |
| Mary Drenda Evans    | 1,967.00  | 1,563.45 | 168.08   | 121.95 | 28.52  | 85.00  | -      | -     | -      | -      | -           |
| Amanda Fipps         | 250.25    | 231.10   | -        | 15.52  | 3.63   | -      | -      | -     | -      | -      | -           |
| Melinda Fisher       | 200.00    | 178.93   | 5.77     | 12.40  | 2.90   | -      | -      | -     | -      | -      | -           |
| Theresa Gallagher    | 185.25    | 171.07   | -        | 11.49  | 2.69   | -      | -      | -     | -      | -      | -           |
| Leslie Harrison      | 1,535.00  | 1,180.77 | 179.80   | 95.17  | 22.26  | 57.00  | -      | -     | -      | -      | -           |
| Katherine Haynes     | 1,553.00  | 1,095.29 | 139.83   | 95.71  | 22.38  | 55.00  | 490.00 | -     | 120.00 | 15.53  | 9.26        |
| Cameron C Henderson  | 10,231.20 | 6,418.29 | 2,540.23 | 634.33 | 148.35 | -      | -      | -     | -      | -      | -           |
| Saundra Hodges       | 496.09    | 452.95   | 5.19     | 30.76  | 7.19   | -      | -      | -     | -      | -      | -           |
| Alice Holejsovsky    | 2,131.38  | 1,521.39 | 341.62   | 132.15 | 30.91  | 84.00  | -      | -     | -      | 21.31  | -           |
| Katie Jackson        | 1,345.81  | 1,046.92 | 135.48   | 83.44  | 19.51  | 47.00  | -      | -     | -      | 13.46  | -           |
| Shelly J Jayne       | 959.25    | 765.87   | 86.00    | 57.04  | 13.34  | 27.00  | -      | 10.00 | -      | -      | -           |
| Jamie Jones          | 7,800.00  | 5,525.18 | 1,326.12 | 483.60 | 113.10 | 352.00 | -      | -     | -      | -      | -           |
| Anndee Lee-Carter    | 4,807.69  | 3,627.40 | 612.50   | 298.08 | 69.71  | 200.00 | -      | -     | -      | -      | -           |
| Glenda Mayfield      | 1,400.14  | 1,117.01 | 123.93   | 85.53  | 20.24  | 48.00  | -      | -     | -      | 4.43   | -           |
| Jennifer Messer      | 308.00    | 267.86   | 16.57    | 19.10  | 4.47   | -      | -      | -     | -      | -      | -           |
| Brittnee Morris      | 1,809.25  | 1,283.06 | 157.54   | 103.90 | 24.30  | 62.00  | -      | 45.00 | -      | 133.45 | -           |
| Amanda L Myers       | 1,382.93  | 1,070.16 | 144.48   | 82.09  | 19.20  | 67.00  | -      | -     | -      | -      | -           |
| Brandon T Narr       | 7,148.02  | 5,193.17 | 1,093.02 | 443.18 | 103.65 | 315.00 | -      | -     | -      | -      | -           |
| Kimberly Navrath     | 2,177.25  | 1,746.38 | 193.31   | 134.99 | 31.57  | 71.00  | -      | -     | -      | -      | -           |
| Lisa Novis           | 1,864.50  | 1,361.60 | 268.61   | 115.60 | 27.04  | 73.00  | -      | -     | 18.65  | -      | -           |
| Gregory Orr          | 2,275.63  | 1,731.50 | 278.04   | 141.09 | 33.00  | 92.00  | -      | -     | -      | -      | -           |
| Kerry Plum           | 1,448.01  | 963.16   | 69.45    | 70.60  | 16.51  | 19.00  | -      | -     | 309.29 | -      | -           |

|                     |          |          |          |        |       |        |       |        |
|---------------------|----------|----------|----------|--------|-------|--------|-------|--------|
| Rebecca Poe         | 6,240.00 | 4,022.63 | 1,447.01 | 386.88 | 90.48 | 293.00 | -     | -      |
| Rachel A Pritchett  | 1,564.25 | 1,149.84 | 204.75   | 96.98  | 22.68 | 90.00  | -     | -      |
| Eric Quinones       | 390.00   | 333.39   | 24.77    | 24.18  | 5.66  | 2.00   | -     | -      |
| Robin Rains         | 1,541.50 | 1,080.77 | 143.24   | 87.57  | 20.48 | 50.00  | 15.00 | 15.42  |
| Naomi Ramos         | 693.51   | 222.31   | -        | 14.93  | 3.49  | -      | -     | 452.78 |
| Catherine Roberts   | 1,145.53 | 958.77   | 70.13    | 71.02  | 16.61 | 29.00  | -     | -      |
| Tera Scroggins      | 2,137.70 | 1,662.03 | 112.52   | 124.26 | 29.06 | 55.00  | 21.38 | -      |
| Laura Slayton       | 2,428.59 | 1,873.82 | 168.61   | 142.02 | 33.21 | 73.00  | -     | 133.45 |
| Cindy K Smith       | 2,561.35 | 1,762.42 | 420.38   | 158.80 | 37.14 | 157.00 | -     | 137.93 |
| Denise A Swinford   | 856.76   | 731.12   | 40.10    | 53.12  | 12.42 | 20.00  | -     | -      |
| Todd Thompson       | 1,591.00 | 1,192.77 | 166.52   | 98.64  | 23.07 | 60.00  | 50.00 | -      |
| April L Wallis      | 840.01   | 718.61   | 38.74    | 52.08  | 12.18 | 10.00  | -     | 8.40   |
| William Wheeler     | 1,488.30 | 1,269.97 | 72.48    | 92.27  | 21.58 | 32.00  | -     | -      |
| Kari White          | 2,580.00 | 2,187.74 | 106.02   | 159.16 | 37.22 | 77.00  | -     | 12.86  |
| Mark White          | 650.00   | 600.27   | -        | 40.30  | 9.43  | -      | -     | -      |
| Cheyenna F Williams | 1,735.25 | 1,413.23 | 140.27   | 107.59 | 25.16 | 49.00  | -     | -      |
| Lea Ann Wilson      | 2,584.51 | 1,788.80 | 371.75   | 151.97 | 35.54 | 103.00 | -     | 133.45 |
| Kristen Winchester  | 1,152.00 | 991.06   | 54.82    | 71.42  | 16.70 | 18.00  | -     | -      |
| Benny Ross Wofford  | 1,560.00 | 1,240.02 | 143.64   | 96.72  | 22.62 | 57.00  | -     | -      |
| Tara Yost           | 920.01   | 794.05   | 47.58    | 57.04  | 13.34 | 8.00   | -     | -      |

|            |
|------------|
| 103,961.90 |
| 7,824.78   |
| <hr/>      |
| 111,786.68 |

Gross Payroll  
Employer Taxes  
Total Payroll